

Statement By Steve Klein (Retired PUD GM/CEO)

Regarding Results of Complaint Investigation

The independent investigation found no laws that were broken and no unethical behavior on my part or the PUD's. The report did indicate that I could have done more to anticipate and avoid the possible "appearance" of a conflict of interest for one single contract the PUD entered into with 1Energysystems and terminated 4 years ago however, no actual conflicts were attributed to me or the PUD.

The original Complaint was never really about disclosing serious wrongdoings but instead represented a deliberate attempt to undermine support for the PUD's successful policies and destroy the reputation of the elected Commissioners and Senior Staff.

Out of respect for the purity and neutrality of the investigative process, I have fully cooperated and remained publically silent until its completion. In stark contrast, the complainant has been on an aggressive publicity tour to push his personal vendetta. For example, one needs only to read from the recently released words of the complainant who stated, "I am confused as to why the Board of Commissioners are so enamored with the idea of being leaders in the renewable (energy) space." This statement clearly demonstrates the disdain the complainant has for policies that the majority of the citizens of Snohomish County support. Society, regulators and legislators are pushing electric utilities to integrate more new renewables like wind and solar and the PUD has been able to do so in a cost effective manner through the receipt of grants and through strategic partnerships.

The Complaint is a jumble of unsubstantiated speculation, petty personal rants and misrepresentation of the facts. The negative publicity resulting from all of this has taken a heavy toll on me and my family and has made the PUD vulnerable to public ridicule and attack. Simply not liking the PUD's policy agenda or personally disliking the utility's leadership should not form the basis for filing a wrong doings

claim. The motivation for filing a public complaint should be clearly geared for the public good - not personal revenge or maliciousness.

The Complainant sat on his false accusations and apparently stewed with contempt for me for several years and then suddenly launched his campaign on the day my retirement was announced. While I am certainly angry with what this malicious effort has done to hurt me and others, it is my hope that the good citizens of Snohomish County see this bad faith complaint for what it is and continue to support the outstanding policies and strategic objectives of the PUD.

During my nine years as General Manager, I was frequently reminded of the great support and respect the community holds for the PUD and its dedicated employees. The PUD has always welcomed healthy public debate over public utility policy issues because it is a consumer owned utility that represents the interests of the community. But tough decisions have to be made in the complex utility world of today that can't always please every person.

Everyone at the PUD recognizes the important role they play in providing essential energy and water services that are reliable and affordable. The PUD must constantly be thinking ahead so that there are sufficient sustainable energy and water resources available at reasonable costs to meet current and future needs. Those who question the PUD's choice of prospective renewable energy sources and technology applications have the right to ask tough questions and ultimately disagree with the policy but that disagreement should not manifest in false accusations.

Steven Klein

Retired General Manager/CEO of Snohomish PUD

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